Marketing and Reputation in the Services Sector: Higher Education in South Africa and Singapore

Johan De Jager, Tshwane University of Technology, South Africa
Werner Soontiens, Curtin University of Technology, Australia

ABSTRACT

Over the past few decades the tertiary sector has developed from a predominantly inward focussed industry serving public interest to an internationalised and commercially competitive industry. Resulting from this fundamental change is a drive to better understand the most prominent dimensions that impact on internationalisation, more particularly, the expectations and experiences of students. Although some of these can be argued to be country specific, and thus differentiate between markets, others are universal and impact on the overall industry. One of the latter is a pressure to consider and treat students as clients introducing all the dynamics of service delivery and management. The primary objective of this paper is to identify the most important variables related to marketing and reputation issues when selecting a university in South-Africa and compare the same for Singapore students. This study revealed that the most important consideration for the South African sample, regarding marketing and reputation related variables when choosing an institution of higher education, is the academic reputation of the institution, while the marketing activities were regarded as priority by the Singaporean sample.

Keywords: Higher Education, International, Marketing, Reputation, Services

INTRODUCTION

Various studies emphasize the tendency of universities referring to their students as customers (Eagle & Brennan, 2007; Comm & Mathaisel, 2005; Ho & Hung, 2008) and the increasing importance of comparing educational systems (Wang et al., 2009) and the impact on service providers. Michael (2004) emphasises the vital role of higher education management based on a solid understanding of its fundamental impact on management thoughts and practices currently prevalent in higher education systems. The increased level of competition in the education environment has led to institutions of higher education employing managerial techniques to improve the efficiency and quality of their provisions (Eagle & Brennan, 2007; Paliwawadana, 1999) and a switch from a passive to a more active market approach (Ivy, 2008). Hemsley-
Brown and Oplatka (2006, p. 316) emphasizes that in the context of increasing competition for home-based and overseas students, higher educational institutions now recognize the need to market themselves in a climate of international competitiveness. If universities are to satisfy student’s requirements they should be aware of their own offerings and how these are perceived in the market place. It is important for institutional policy makers to be aware of the influential factors and the associated impact on potential students (Eagle & Brennan, 2007; Moogan & Baron, 2001, p. 197). This impact also refers to the influence of the product offerings on the overall reputation that an institution of higher education builds over a period of time (Gotsi & Wilson, 2001).

In order to maintain students as loyal customers a marketing orientation approach should be followed, implying that various aspects should be taken into consideration. This includes the satisfaction of consumers’ needs, the wellbeing of the society and achieving objects over the long term, including profit. This study will mainly investigate the level of importance of some elements of the product offering of two universities, one in South Africa and one in Singapore, to their students. The influence of these elements on the overall reputation of the universities will also be investigated.

MARKETING PRACTICES AND REPUTATION IN THE HIGHER EDUCATION SECTOR

Flavian, Torres, and Guinaliu (2004) argue that large numbers of competitors in a global environment are constantly attempting to offer something different in their services to distinguish them from competition. Da Silva and Batisda (2007) are of the opinion that relationship building with customers is crucial for commercial survival. This also includes public organisations. The author points out that the building of corporate reputation has become a strategic issue for organisations that requires a series of organisation changes. The building of reputation requires a strong customer-focused orientation, better performance of an organisations day-to-day management and operating activities, more efficient and effective communication with its publics and a greater emphasis on recognition. As a result the author emphasized the importance of increasing an organisations image that is transmitted to consumers. Alsop (2004) explains that the top managements own reputation affects corporate reputation and states that high profile CEO’s like Bill Gates still affects the company image and is ultimately accountable for reputation.

Although the paper does not focus on the relationship between marketing and reputation per se, it may be worthwhile clarifying the anticipated relationship of a few related concepts. The image and reputation terminology are sometimes confusing and as a result Gotsi and Wilson (2001) attempt to define the concept of corporate reputation and identify its relationship with corporate image. Gotsi and Wilson (2001) argue that some schools of thoughts view corporate reputation as synonymous with corporate image and further pointed out that the reason for the lack of a single common definition for corporate reputation (and image) mainly derives from the diversity of relevant studies which explore the construct from different disciplinary perspectives. Overall however there is support for a separate but interrelated view. Barich and Kotler (1991) point out that the critical role of institutional image and institutional reputation in customer buying intentions are well known in marketing. Duncan (2005) states that the difference between image and reputation is sometimes confusing because the two are somewhat related. The difference between image and reputation lays in the fact that image can be created and reputation is earned (or maintained). Both these concepts are important and are known as integrity. Raj (1985) points out that institutional image and reputation are important to develop and maintain a loyalty relationship with customers. This is reflected in the trend that students often choose to attend a university based on impressions and experiences by acquaintances.
Service Oriented Architecture (SOA) Implementation: Success Factors and Realized Benefits
[www.igi-global.com/article/service-oriented-architecture-soa-implementation/199781?camid=4v1a](www.igi-global.com/article/service-oriented-architecture-soa-implementation/199781?camid=4v1a)

[www.igi-global.com/article/developing-and-validating-measurement-instrument-for-various-aspects-of-digital-economy/217439?camid=4v1a](www.igi-global.com/article/developing-and-validating-measurement-instrument-for-various-aspects-of-digital-economy/217439?camid=4v1a)